GOVERNMENT OF INDIA
ROAD TRANSPORT AND HIGHWAYS
LOK SABHA

UNSTARRED QUESTION NO:1981
ANSWERED ON:05.05.2016
Delayed Projects
Chaudhury Shri Jitendra;Gawali (Patil) Ms. Bhavana;Nayak Shri B.V.;Nishad Shri Ajay;Sawant Shri Arvind Ganpat

Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a) whether many national highway projects are running behind schedule and this resulted in cost over run;

(b) if so, the details thereof, State-wise and project-wise;

(c) whether the Government had issued any instructions directing the Government officials and private contractors to ensure completion of delayed projects within the time frame fixed by it, if so, the details thereof;

(d) whether the Government had issued a modified time schedule for completion of all the delayed national highway projects, if so, the details thereof;

(e) whether the Government have held any discussions with the private contractors regarding the completion of the said projects, and if so, the outcome thereof; and

(f) the corrective measures taken by the Government to speed up pace of the said projects?

Answer

THE MINISTER OF STATE IN THE
MINISTRY OF ROAD TRANSPORT AND HIGHWAYS

(SHRI PON. RADHAKRISHNAN)

(a) to (b) Some National Highway projects have been delayed mainly due to land acquisition, utility shifting, non-availability of soil/aggregate, poor performance of contractors, environment/forest/wildlife clearances, ROB & RUB issues with Railways, public agitation for additional facilities, arbitration/contractual disputes with contractors etc. The details of delayed projects are annexed. Cost overrun is applicable only to EPC/item rate contracts. In such contracts, there is a provision for payment of escalation due to delay if it is not attributable to Contractor. In case the project is delayed due to reasons attributable to the Contractor, liquidated damages are to be imposed and no escalation is payable. Actual escalation due to delay or cost overrun is known only after completion of the project and final settlement of bills.

(c) to (f) In order to ensure timely completion of the projects, regular meetings are held with project developers, State Governments and contractors. Regular review meetings are held in Head Quarter by NHAI with Regional Officers, concessionaires /contractors to make the construction of projects hassle free. To expedite completion of these projects various steps are taken which include streamlining of land acquisition & environment clearances, exit for equity investors, premium re-schedulement, close coordination with other Ministries, revamping of dispute resolution mechanism, frequent reviews at various levels etc.